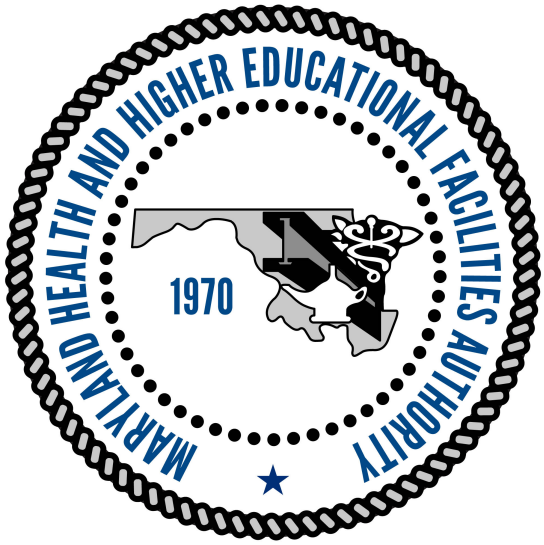
Maryland Health and Higher Educational Facilities Authority



2019 ANNUAL REPORT

The Maryland Health and Higher Educational Facilities Authority believes that Maryland's healthcare institutions, colleges and universities and non-collegiate schools provide the foundation for our state's economy.

The mission of the Authority is to assist non-profit educational institutions and hospitals and related healthcare organizations in financing the construction and acquisition of capital projects. In the pursuit of this goal, the Authority strives to keep abreast of opportunities to reduce the cost of capital in order to meet the changing needs of our borrowing institutions and assure their strength as vital assets of the state.

The Authority is empowered to perform a variety of functions on behalf of its constituents, including the following:

- *Issuing fixed and variable rate bonds and notes, including commercial paper.*
- *Financing and refinancing construction, renovation and equipping of facilities for nonprofit hospitals, colleges, universities, non-collegiate schools, retirement communities, nursing homes, assisted living facilities and other long-term care facilities.*
- *Entering into leases and subleases of projects and contracts for the operation and management of projects for these institutions.*
- *Making loans to participating institutions to finance projects, including hospital facilities, ambulatory care centers and other outpatient facilities, parking garages, research facilities, academic buildings, dormitories, dining halls, libraries and athletic facilities.*
- *Establishing and administering pooled loan programs to reduce financing costs and provide enhanced access to the capital markets.*

As an instrumentality of the State of Maryland providing financing for key institutional projects, the Authority is proud of its role in improving the health and wellbeing of the residents of our state.

AUTHORITY MEMBERS

ARNOLD WILLIAMS, *Chairman*

Term expired July 1, 2019*; resident of Baltimore County; Managing Director – Abrams Foster, Nole & Williams, P.A.; Immediate Past Chairman of the Board – Baltimore Development Corporation; Chairman - Neighborhood Impact Investment Fund; Board of Directors - Lexington Market, Inc.; The Presidents' Roundtable; and The Greater Baltimore Committee; former Board Chairman – Bon Secours Health Systems, Inc.; former member – Baltimore City Chamber of Commerce; and Past Chair and former member – Maryland State Board of Accountancy.

SHEILA K. RIGGS, Vice-*Chairman*

Term as member expires July 1, 2023; resident of Baltimore City; former Chairman; Trustee and former Chairman of the Board - The Maryland Institute, College of Art; former President and Chairman of the Board - Greater Baltimore Medical Center; former Trustee and Secretary of the Board - Bryn Mawr School; former Co-Chairman - Baltimore Council on Foreign Affairs; and former member - Board of Loyola Notre Dame Library.

NANCY K. KOPP, e*x officio*

Resident of Montgomery County; Treasurer of the State of Maryland; Chair - Maryland Capital Debt Affordability Committee; Maryland 529 (formerly College Savings Plans of Maryland); and Board of Trustees of the Maryland State Retirement and Pension System; and member - Maryland Board of Public Works; Board of Trustees of the Maryland Teachers & State Employees Supplemental Retirement Plans; Board of Revenue Estimates; and Financial Accounting Foundation Board of Trustees.

CATHERINE ASHLEY-COTLEUR, PH.D., *Member*

Term expired July 1, 2017*; resident of Washington County; Professor Emeritus - Frostburg State University, College of Business; member - American Marketing Association; and St. Maria Goretti High School Board; former Executive Director - Ohio House of Representatives; former Deputy Director - Ohio Office of Consumers' Counsel; and Board Member - Together With Families (Washington County).

JAMES P. DALY, JR., *Member*

Term expires July 1, 2023; resident of Anne Arundel County; former Managing Director - Legg Mason Capital Management; former Principal – Alex. Brown & Sons Incorporated; Vice Chair - Board of Trustees of Mater Dei Prep (NJ); Chair - Advisory Board, Loyola University of Maryland College of Arts and Sciences; and Board Member - Gibson Island Corporation.

RICHARD M. LERNER, *Member*

Term expired July 1, 2019*; resident of Annapolis; Member - President's Council of Tulane University; former Chairman and CEO, Annapolis Bancorp, Inc. and BankAnnapolis; former Chairman of Maryland Region - First National Bank, Foundation for Community Partnerships (now known as Chesapeake Charities), Hospice of the Chesapeake, Inc., and Hospice of the Chesapeake Foundation; and former Board Member - Anne Arundel County CASA, Inc.

FREDERICK W. MEIER, JR., *Member*

Term expires July 1, 2020; resident of Baltimore City; Senior Advisor - Lord Baltimore Capital Partners; former Executive Vice President - First Maryland Bancorp; Director - Rodney Trust Company; Attransco; and AMA Capital Partners; Board of Finance of the City of Baltimore; former Vice President and Trustee - The Baltimore Museum of Art; Honorary Trustee and former President of Board of Trustees - The Boys' Latin School of Maryland; former member of Board of Governors - The Center Club; and former Director - Forestal San Jose (Chile); Jugos delSur (Argentina); Norden A/S (Denmark); and Empresas Navieras, S.A. (Chile).

AUTHORITY MEMBERS (continued)

BONNIE PHIPPS, *Member*

Term expires July 1, 2021; resident of Baltimore County; former Senior Vice President and Ministry Market Leader – Ascension Health (St. Louis, Missouri); former President and CEO – St. Agnes Healthcare (Baltimore, Maryland) and Saint Joseph's Health System (Atlanta, Georgia); member of the Board of Directors – Charlestown Retirement Community; University of Maryland Medical System; Notre Dame of Maryland University; member of the Board of Financial Administration- Archdiocese of Baltimore; and Y of Central Maryland; and member –Healthcare Financial Management Association.

W. DANIEL WHITE, *Member*

Term expires July 1, 2020; resident of Baltimore County; retired Executive Vice President, Assistant Secretary, Assistant Treasurer and member of the Board of Directors – The Whiting–Turner Contracting Company; Advisory Board Member – Towson University; and Notre Dame Preparatory High School; Board Member – Maryland Family Network; former Board member of numerous educational, economic development and non-profit organizations.

** By the terms of the Authority's enabling act, members continue to serve until their successors are appointed.*

AUTHORITY STAFF

ANNETTE ANSELMI
Executive Director

JOHN BENNETT
Chief Financial Officer

LENA PRINCE
Senior Account Manager

MARY JANE LUPUS
Account Manager

KATHY RECH
Account Manager

STEPHANIE BURRELL
Executive Assistant

AUTHORITY CONSULTANTS

McKENNON SHELTON & HENN LLP
Bond Counsel

PUBLIC FINANCIAL MANAGEMENT, INC. (PFM)
Financial Advisor

WYE RIVER FINANCIAL ADVISORS
Financial Advisor

COHNREZNICK LLP
Independent Auditors

MANAGEMENT CONSULTING SERVICES
Management Consultant

CohnReznick LLP
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Independent Auditor's Report

To the Board of Directors
Maryland Health and Higher Educational Facilities Authority

Report on the Financial Statements

We have audited the accompanying financial statements of Maryland Health and Higher Educational Facilities Authority (the "Authority"), which comprise the balance sheets as of June 30, 2019 and 2018, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2019 and 2018, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CohnReznick

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Required Pension Related Supplementary Information on pages 7 through 13 and 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 37 through 50 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

CohnReznick LLP

Baltimore, Maryland
September 10, 2019

Introduction

This discussion and analysis of the financial performance of the Maryland Health and Higher Educational Facilities Authority (the "Authority") is supplementary information required by the Governmental Accounting Standards Board. It introduces the basic financial statements and provides a brief overview of the Authority's financial activities. It should be read in conjunction with the financial statements that follow this discussion.

The Authority is an instrumentality of the State of Maryland which assists non-profit educational institutions and hospitals and related healthcare organizations in financing the acquisition and construction of capital projects.

The Authority does not receive any appropriations from the State of Maryland and is funded entirely from fees charged to participating borrowers and interest earnings on investments.

Overview of the Financial Statements

The three basic statements presented within the financial statements are as follows:

- Balance Sheet - This statement presents information reflecting the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position is equal to total assets and deferred outflows of resources less total liabilities and deferred inflows of resources.

- Statement of Revenues, Expenses and Changes in Net Position - This statement reflects the operating revenues and expenses, as well as non-operating revenues and expenses for the fiscal year. Operating revenue is generated from annual administrative fees and application fees charged to borrowers. Operating expense includes staff salaries, professional fees and other expenses. The change in net position is similar to net profit or loss for a business enterprise.

- Statement of Cash Flows - The statement of cash flows is presented using the direct method of reporting which reflects cash flows from operating, financing and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the fiscal year.

Summary of Activities

- During fiscal year 2019 the Authority issued and delivered 13 bond issues totaling approximately $228 million. The approximately $712 million decrease from the total issued in fiscal year 2018 is primarily due to a decline in new project funding and hospitals' change in focus from development of inpatient hospital facilities to ambulatory care centers, population health and service and supply agreements.

- Since January 2018 the Authority has been engaged in amending the interest rate provisions on direct placement debt outstanding as a result of the reduction in the maximum federal corporate income tax rate effective January 1, 2018. During the fiscal year 2019 the Authority has amended interest rate provisions for 47 private placement issues totaling almost $1.5 billion.

- Operating revenues decreased by approximately $33,000 due primarily to a decline in application fees. The Authority funds its operations using a combination of annual administrative fees, application fees and non-operating investment income. Annual administrative fees may be set at a maximum of one tenth of one percent of the par amount of debt issued. The application fee is currently $5,000. In fiscal year 2019, the Authority continued to waive 75% of the annual administrative fees chargeable to borrowing institutions for financings that were in place prior to fiscal year 2008 and 70% for financings completed in fiscal year 2008 and after.

- Operating expenses decreased by approximately $52,000 due primarily to a $52,000 decrease in professional fees for financial advisor services resulting from a decrease in the volume of public bond issues by the Authority in fiscal year 2019.

- The Authority had approximately $8.9 billion and $9.1 billion of conduit debt outstanding at June 30, 2019 and June 30, 2018, respectively. A schedule of debt outstanding is included in the additional information that accompanies these financial statements. All bonds and notes issued by the Authority are limited obligations payable solely from amounts payable by participating institutions under the loan or lease agreements executed in connection with the issuance of the bonds or revenues of the project financed. The Authority has no outstanding debt constituting a general obligation of the Authority or a pledge of its faith and credit.

Financial Highlights

The following summarizes the financial position and results of operations of the Authority for the fiscal years ended June 30, 2019 and 2018 (in thousands of dollars):

	June 30, 2019	June 30, 2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$29,820	$27,794
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	918	898
NET POSITION	28,902	26,896
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$29,820	$27,794
OPERATING REVENUES	$ 2,901	$ 2,934
OPERATING EXPENSES	1,715	1,767
OPERATING INCOME	1,186	1,167
NON-OPERATING REVENUES		
Net income from investments	554	342
Unrealized gain/(loss) on investments	270	(100)
Loss on disposition of fixed assets	(4)	-0-
TOTAL NON-OPERATING REVENUES	820	242
INCREASE IN NET POSITION	2,006	1,409
Net position, beginning of year	26,896	25,487
Net position, end of year	$28,902	$26,896

Summary of Financings

During fiscal years 2019 and 2018, the Authority issued:

	2019	2018
Public Issues	$ 75,555,000	$368,330,000
Private Placements	152,717,325	572,082,000
	$228,272,325	$940,412,000

The following is a list of bonds issued during fiscal year 2019:

HEALTHCARE FINANCINGS:

$38,981,000 Annapolis Life Care Issue (2018A)
$10,000,000 Annapolis Life Care Issue (2018B)

A private placement to refund the Authority's Revenue Bonds, Annapolis Life Care Issue (2014) and to finance its latest facility expansion project.

$21,000,000 Stella Maris Issue (2018)

A private placement to refund the Authority's Revenue Bonds, Stella Maris Issue, Series 1997 and finance certain new capital projects.

RETIREMENT COMMUNITY FINANCINGS:

$60,555,000 Broadmead Issue, Series 2018A
$15,000,000 Broadmead Issue, Series 2018B

A public offering to refund the Authority's Revenue Bonds, Broadmead Issue (2010) and finance the expansion of its continuing care retirement community and various capital improvements and upgrades to its campus facilities.

NON-COLLEGIATE SCHOOL FINANCINGS:

$7,000,000 Notre Dame Preparatory School Issue (2018)

A private placement to refund certain outstanding revenue bonds issued by Baltimore County, Maryland on behalf of the school and to finance the construction of a new building which will house its "STEAM" and humanities programs.

$14,461,541 Sandy Spring Friends School Issue (2018A)
$ 8,000,000 Sandy Spring Friends School Issue (2018B)
$ 6,024,784 Sandy Spring Friends School Issue (2018C)

A private placement to refund its Montgomery County, Maryland Series 2012 Bonds and finance a portion of the costs related to the construction of a new Upper School.

$5,250,000 Rockbridge Academy Issue (2019A)
$2,000,000 Rockbridge Academy Issue (2019B)

A private placement to finance the purchase of Indian Creek School's lower school campus and other miscellaneous costs associated with the project.

$25,000,000 Stone Ridge School Issue (2019A)
$15,000,000 Stone Ridge School Issue (2019B)

A private placement to refund the Authority's Revenue Bonds, Stone Ridge School Issue (2005) and finance the design, development, construction and equipping of a 54,000 square foot Student Life Center and other landscape, infrastructure and capital improvements.

Total Principal of Bonds Outstanding (in thousands of dollars)

	2019	2018
Public Offerings	$6,249,895	$6,408,526
Private Placements	2,653,912	2,654,845
Total	$8,903,807	$9,063,371

Refer to pages 42-44 for a detailed list of the Public Offerings and Private Placements outstanding.

Refer to pages 45-48 for a detailed list of the bonds outstanding for each borrower or obligated group.

Subsequent Bond Activity

The following bonds had been authorized but not issued as of June 30, 2019:

- Roland Park Place Issue (2019 A & B)

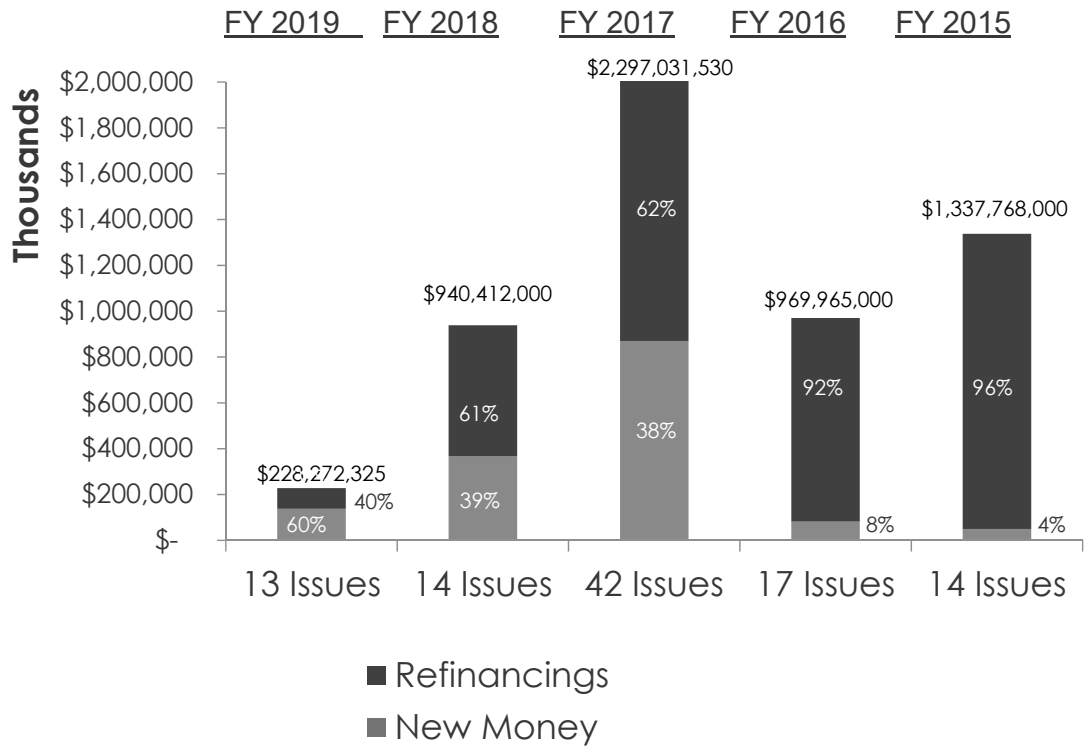
Subsequent to June 30, 2019, the following bonds were authorized and issued as of September 10, 2019 (the date on which these financial statements were available to be issued):

- Springwell Senior Living Issue (2019)
- St. Paul's Schools Issue (2019 A & B)
- Beth Tfiloh Dahan Community School Issue (2019)

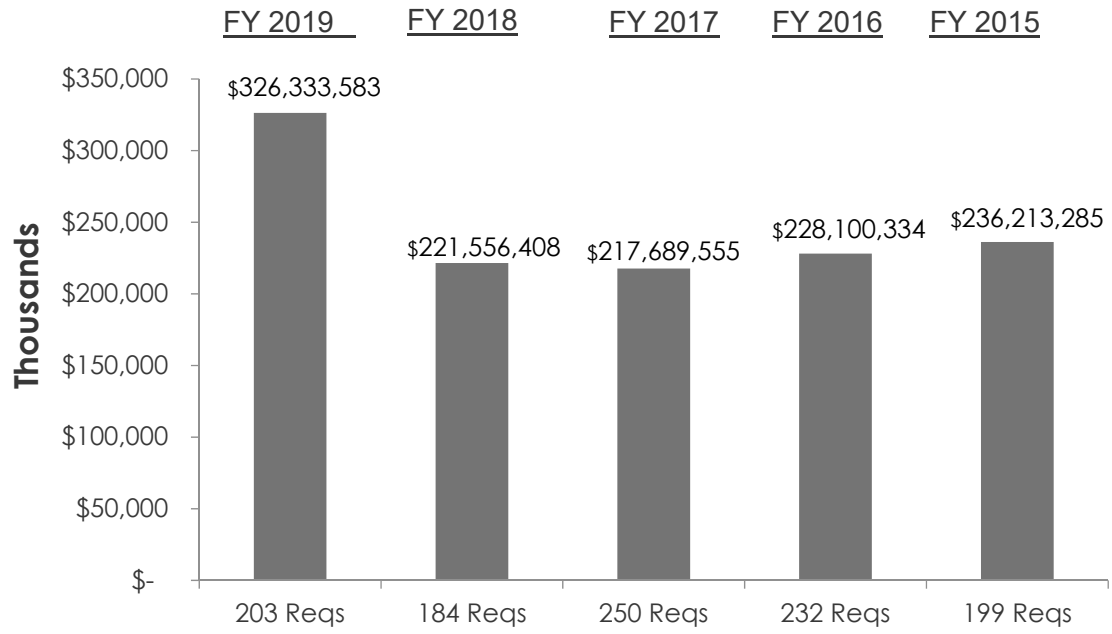
Subsequent to June 30, 2019, the following bond was authorized but had not been issued as of September 10, 2019 (the date on which these financial statements were available to be issued):

- The Maryland School for the Blind Issue (2019)

5 Year Bond Issuance Comparison



5 Year Construction Fund Requisitions Comparison



Maryland Health and Higher Educational Facilities Authority
Balance Sheets
As of June 30, 2019 and June 30, 2018
(in thousands of dollars)

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 950	$ 202
Investments at fair value	12,433	15,626
Interest receivable	118	91
Prepaid insurance and all other prepayments	49	46
Total current assets	13,550	15,965
Non-current assets:		
Investments at fair value	16,131	11,652
Capital assets (net of accumulated depreciation of $202 and $196, respectively)	15	22
Total non-current assets	16,146	11,674
Deferred outflows of resources - pension related	124	155
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 29,820	$ 27,794
LIABILITIES AND NET POSITION BALANCES		
Current liabilities:		
Accounts payable and accrued expenses	$ 71	$ 27
Accrued salaries and benefits	214	75
Total current liabilities	285	102
Non-current liabilities:		
Accrued vacation	6	141
Accrued rent	15	17
Net pension liability	505	509
Total non-current liabilities	526	667
Deferred inflows of resources - pension related	107	129
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	918	898
NET POSITION		
Invested in capital assets	15	22
Unrestricted:		
Designated for operations	3,430	3,534
Designated for contingencies	25,457	23,340
TOTAL NET POSITION	28,902	26,896
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 29,820	$ 27,794

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2019 and June 30, 2018
(in thousands of dollars)

	2019	2018
OPERATING REVENUES		
Annual administrative fees	$ 2,871	$ 2,874
Bond issue application fees	30	60
TOTAL OPERATING REVENUES	2,901	2,934
OPERATING EXPENSES		
Salaries	820	801
Employees' insurance, pension and other fringe benefits	99	105
Payroll taxes	49	49
Professional fees	378	431
Contract services	174	183
Office rent, phone and internet	105	108
Insurance	47	50
Depreciation	14	15
Other	29	25
TOTAL OPERATING EXPENSES	1,715	1,767
OPERATING INCOME	1,186	1,167
NON-OPERATING REVENUES		
Net income from investments	554	342
Unrealized gain/(loss) on investments	270	(100)
Gain/(loss) on disposition of fixed assets	(4)	0
TOTAL NON-OPERATING REVENUES	820	242
INCREASE IN NET POSITION	2,006	1,409
Net position, beginning of year	26,896	25,487
Net position, end of year	$ 28,902	$ 26,896

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
Statements of Cash Flows
For the years ended June 30, 2019 and June 30, 2018
(in thousands of dollars)

	2019	2018
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Cash received from administrative and other fees	$ 2,900	$ 2,937
Cash payments to employees and employee benefits	(959)	(949)
Cash payments to suppliers for goods and services	(693)	(838)
Net cash provided by operating activities	1,248	1,150
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(11)	(9)
Net cash used in capital and financing activities	(11)	(9)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	526	289
Purchases of investments	(39,242)	(15,693)
Sales and maturities of investments	38,227	13,664
Net cash used in investing activities	(489)	(1,740)
Net increase/(decrease) in cash and cash equivalents	748	(599)
Cash and cash equivalents, beginning of year	202	801
Cash and cash equivalents, end of year	$ 950	$ 202
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 1,186	$ 1,167
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Pension related - proportionate share of state expense	50	51
Pension related - actual cash contribution paid	(45)	(48)
Depreciation	14	15
Administrative fees receivable	0	4
Prepaid pension and other prepayments	(2)	3
Accounts payable and accrued expenses	45	(42)
Net cash provided by operating activities	$ 1,248	$ 1,150

The accompanying notes are an integral part of these financial statements

NOTE 1: ORGANIZATION AND ACCOUNTING POLICIES

Organization

The Maryland Health and Higher Educational Facilities Authority (the "Authority") was established to assist non-profit educational institutions, hospitals and related healthcare institutions in the financing and refinancing of projects authorized by the Authority's enabling legislation. Income of the Authority is derived from fees from institutions and projects that have financing provided by the Authority. Neither the State of Maryland, nor any subdivision thereof, nor the Authority shall be obligated to pay principal or interest on bonds or notes issued by the Authority except from payments from participating institutions and revenues of the related projects. Neither the faith and credit nor the taxing power of the State of Maryland, of any political subdivision thereof or of the Authority is pledged to the payment of the principal or interest on bonds or notes outstanding. The Authority is exempt from federal and state income taxes. The Authority has no taxing power.

Accounting Policies

Reporting Entity – The Authority's reporting entity has been defined in accordance with Governmental Accounting Standards Board ("GASB") Statement 34. The financial statements include all operations for which the Authority is financially accountable.

Basis of Presentation, Revenue and Expense Recognition – The Authority follows GASB guidance for proprietary fund accounting and financial reporting. As such, the accompanying financial statements are prepared on the accrual basis of accounting where revenues are recognized when earned and expenses are recorded when incurred. The Authority reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by the GASB.

Cash and Cash Equivalents – Cash and cash equivalents consist of short term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents are carried at cost which approximates fair value.

Investments – Investments are reported at fair value with net unrealized gains and losses reported as non-operating revenue in the statement of revenues, expenses and changes in net position. Fair values of investment securities are determined according to prices as furnished by an independent pricing service, except that fixed income securities with remaining maturities of less than 60 days at the time of purchase (e.g., money market funds) are valued at amortized cost provided such amount approximates fair value. Interest income is accrued on coupon securities from the last coupon date or purchase date and for discount securities (e.g., U.S. Treasury Bills) on the effective yield method. Realized gains and losses are recorded on the specific identification method and are computed as the difference between the proceeds of the sale and the original cost of the investments sold. Investments are purchased

to mature based on cash flow needs; however, investments may be liquidated in the event there are unanticipated cash flow requirements.

Net Position – Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. For external reporting purposes, net position is classified in the following categories:

> **Invested in capital assets, net of related debt** – capital assets, net of accumulated depreciation. There is no outstanding debt attributable to the acquisition, construction or improvement of the assets.
>
> **Unrestricted net position** – net position that is not subjected to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority or may otherwise be limited by contractual agreements with outside parties. The Authority's unrestricted net position includes an internal designation for operating expenses, maintained at two times the annual operating expenses of the Authority. At June 30, 2019 and June 30, 2018 the designation for operating expenses was $3,430,000 and $3,534,000, respectively. The Authority has also internally designated a portion of net position to fund presently unidentified contingencies which is subject to a limitation equal to 1% of the total bonds outstanding. At June 30, 2019 and June 30, 2018, the designated amounts were $25,457,000 and $23,340,000, respectively. These amounts do not exceed the limitations for June 30, 2019 and June 30, 2018, which were $89,039,000 and $90,634,000 respectively.

Capital Assets – Capital assets are recorded at cost and defined as assets with an individual cost of $1,000 or more and an estimated useful life of more than one year. Depreciation is calculated on a straight line basis over the asset's estimated useful life.

Estimated useful lives are as follows:

• Furniture, fixtures and equipment	5 to 10 years
• Computer equipment and software	3 to 5 years
• Office equipment	5 to 10 years
• Leasehold improvements	4 to 7 years

Compensated Absences – Vacation benefits are earned by employees of the Authority based on time in service. The right to such vacation benefit is vested and recorded as a liability for amounts due to employees for future absences. Sick leave is also earned and accumulated by employees. However, sick leave does not vest and is not paid unless sickness causes the employee to be absent.

Office Rent – Office rent is recognized on a straight-line method under which contractual rent increases are recognized over the lease term. Office rent recorded on the straight-line method

in excess of the rents billed is recognized as deferred rent payable and is included in accrued rent on the balance sheets.

Use of Estimates – The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management, where necessary, to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Accounting and Financial Reporting for Pensions – For purposes of measuring the Authority's net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions, the Authority relies on information provided by the Maryland State Retirement and Pension System as to the Authority's proportionate share. Refer to Note 6.

NOTE 2: FAIR VALUE MEASUREMENTS

Fair Value - The Authority has adopted GASB Statement No. 72 – Fair Value Measurement and Application. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value:

- Level 1 – quoted market prices in active markets
- Level 2 – inputs other than quoted market prices that are observable either directly or indirectly
- Level 3 – unobservable inputs

The Authority has investments in securities that are measured at fair value on a recurring basis in the financial statements. The Authority uses a three level hierarchy for determining fair value and a financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The fair value of these financial assets was determined using Level 2 inputs (inputs other than quoted market prices that are observable either directly or indirectly) as of June 30, 2019 and June 30, 2018. The following tables present the financial assets that the Authority measured at fair value (in thousands of dollars).

June 30, 2019	***Level 1***	***Level 2***	***Level 3***	***Total***
Obligations of U. S. Treasury	$ -	$ 3,061	$ -	$ 3,061
Obligations of U.S. government agencies and instrumentalities	-	22,781	-	22,781
Money market fund	2,722	-	-	2,722
Total	$2,722	$25,842	$ -	$28,564

June 30, 2018	*Level 1*	*Level 2*	*Level 3*	*Total*
Obligation of U.S. Treasury	$ -	$ 1,663	$ -	$1,663
Obligations of U.S. government agencies and instrumentalities	-	25,054	-	25,054
Money market fund	561	-	-	561
Total	$561	$26,717	$ -	$27,278

NOTE 3: INVESTMENTS

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses from rising interest rates, the Authority's Investment Policy requires that the maturities of the investment portfolio be scheduled to meet the cash requirements for ongoing operations.

As of June 30, 2019 and June 30, 2018, the amortized cost and fair value of investments were as follows (in thousands of dollars):

June 30, 2019	*AMORTIZED COST*	*GROSS UNREALIZED GAINS*	*GROSS UNREALIZED LOSSES*	*FAIR VALUE*
Obligations of U. S. Treasury	$ 3,045	$16	$ -	$ 3,061
Obligations of U.S. government agencies and instrumentalities	22,809	18	(46)	22,781
Money market fund	2,722	-	-	2,722
Total	$28,576	$34	$(46)	$28,564

June 30, 2018	*AMORTIZED COST*	*GROSS UNREALIZED GAINS*	*GROSS UNREALIZED LOSSES*	*FAIR VALUE*
Obligations of U. S. Treasury	$ 1,665	$1	$ (3)	$ 1,663
Obligations of U.S. government agencies and instrumentalities	25,335	3	(284)	25,054
Money market fund	561	-	-	561
Total	$27,561	$4	$(287)	$27,278

The amortized cost and fair value of investments at June 30, 2019 and June 30, 2018, by contractual maturity, are shown below (in thousands of dollars). Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without penalties.

June 30, 2019	***AMORTIZED COST***	***FAIR VALUE***
Due in one year or less	$12,440	$12,433
Due after one year through five years	16,136	16,131
	$28,576	$28,564

June 30, 2018	***AMORTIZED COST***	***FAIR VALUE***
Due in one year or less	$15,670	$15,626
Due after one year through five years	11,891	11,652
	$27,561	$27,278

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or other counterparty failure, the Authority will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of June 30, 2019 and June 30, 2018, the Authority's investments were not subject to custodial credit risk under GASB Statement No. 40. The Authority's investments are held under a safekeeping agreement, kept separate from the assets of the bank and from other trust accounts and are held in the Authority's name.

Credit Risk and Concentration of Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority's investment policy is to invest in a manner which will provide the highest return with the maximum security while meeting cash flow needs. Permissible investments currently utilized include U.S. Treasury obligations; obligations of federal agencies and instrumentalities; repurchase agreements for U.S. Treasury obligations and obligations of federal agencies and instrumentalities; and money market funds operated in accordance with Rule 2a-7 of the Investment Company Act of 1940 and rated in the highest rating category of a nationally recognized statistical rating organization.

As of June 30, 2019 and June 30, 2018, the Authority's investment holdings by issuer were as follows (in thousands of dollars):

June 30, 2019	***Fair Value***	***Percentage of Total***
Obligations of U. S. Treasury	$ 3,061	10.66%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	1,616	5.65
Federal Home Loan Mortgage Corporation	6,892	24.16
Federal Home Loan Banks	10,551	36.94
Federal National Mortgage Association	3,722	13.06
Money Market Fund:		
Federated U.S. Government Money Market Fund	2,722	9.53
Total	$28,564	100.00%

June 30, 2018	***Fair Value***	***Percentage of Total***
Obligations of U.S. Treasury	$ 1,664	6.04%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	8,260	30.11
Federal Home Loan Mortgage Corporation	3,368	12.54
Federal Home Loan Banks	9,060	33.20
Federal National Mortgage Association	4,365	16.07
Money Market Fund:		
Federated U.S. Government Money Market Fund	561	2.04
Total	$27,278	100.00%

As of June 30, 2019 and June 30, 2018, the credit ratings by issuer were identical, as follows:

Asset	*Rating*	*Rating Agency*
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	Aaa	Moody's
Federal Home Loan Mortgage Corporation	Aaa	Moody's
Federal Home Loan Banks	Aaa	Moody's
Federal National Mortgage Association	Aaa	Moody's
Money Market:		
Federated U.S. Government Money Market Fund	AAAm	S&P

NOTE 4: COMMITMENTS AND CONTINGENCIES

The Authority has a lease commitment for office space through July 31, 2020. The minimum rental commitment for office space over the next two fiscal years through July 31, 2020 is as follows:

2020	$111,017
2021	9,251
Total	$120,268

For the years ended June 30, 2019 and 2018, rental payments required under the terms of the lease totaled $108,567 and $105,025, respectively.

Negotiations for a new lease commitment, beyond July 31, 2020, were still in progress as of September 10, 2019 (the date these financial statements were available to be issued).

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 and June 30, 2018 consisted of the following (in thousands of dollars):

	2019	2018
Capital assets beginning of year	$218	$223
Additions	11	9
Retirements	(12)	(14)
Capital assets end of year	217	218
Accumulated depreciation end of year	(202)	(196)
Capital assets net of depreciation end of year	$15	$22

The Authority recognized $14,207 and $15,388 of depreciation expense during fiscal years 2019 and 2018, respectively.

NOTE 6: PENSION PLAN

Summary

The Authority has adopted GASB No. 68 – Accounting and Financial Reporting for Pensions ("GASB 68"). The Authority participates in the Maryland State Retirement and Pension System, (the "System") and qualifies as a Participating Governmental Unit ("PGU"). The State Retirement Agency (the "Agency") is the Plan administrator and fiduciary. GASB No. 68 requires that a PGU recognize its proportionate share of the System's net pension liability (i.e., unfunded pension liability) and pension expense. The Authority's proportionate share is based on total System contributions and approximated 0.0024% and 0.0024% as of the measurement dates of June 30, 2018 and 2017, respectively.

The Authority has adopted GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB No. 68. GASB No. 71, which is only applicable during the year GASB No. 68 was adopted, requires that contributions to the pension plan subsequent to the beginning measurement date be recognized as the beginning deferred outflow of resources.

The Authority's employees contributed seven percent of their compensation during fiscal years 2019 and 2018 as stipulated by the System. The Authority contributed $44,865 and $48,030 to the System for fiscal years 2019 and 2018, respectively, which was actuarially determined based on statutory provisions. The Authority has also recognized in Pension Expense its proportionate share of the System's deferred inflows of resources (an increase in Pension Expense) attributable to the net difference between projected and actual investment earnings on pension plan assets and its proportionate share of the System's deferred outflows of resources (a decrease in Pension Expense) attributable to changes in assumptions.

Basis of presentation and basis of accounting

1. Employers participating in the System's cost-sharing multiple-employer defined benefit plans are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The Schedule of Employer Allocations and Schedule of Pension Amounts by Employer (pension allocation schedules) provide employers with the required information for financial reporting. The System's financial statements are prepared on the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States of America that apply to governmental accounting for fiduciary funds.

2. Actual employer contributions billed to participating government units for the years ended June 30, 2018 and 2017 were used as the basis for determining each employer's proportionate share of the collective pension amounts reported in the related Schedule of Employer Allocations. Because the State of Maryland contributed 100% of the actuarial determined contributions, there were no adjustments for the years ended June 30, 2018 and June 30, 2017.

3. The components of the calculation of the net pension liability for the System as of the measurement dates of June 30, 2018 and 2017, calculated in accordance with GASB Statement No. 67, are shown in the following table:

(Expressed in millions)

	Measurement Date June 30, 2018	Measurement Date June 30, 2017
Total Pension Liability	$72,808.8	$70,610.9
Less: Plan Fiduciary Net Position	51,827.2	48,987.2
Net Pension Liability	$20,981.6	$21,623.7
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.18%	69.38%

Actuarial Assumptions

Assumption	Measurement Date June 30, 2018	Measurement Date June 30, 2017
Actuarial	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Inflation	2.60% General; 3.10% Wages	2.65% General; 3.15% Wages
Salary Increases	3.10% to 9.10%	3.15% to 9.15%
Discount Rate	7.45%	7.50%
Investment Rate of Return	7.45%	7.50%
Mortality	RP-2014 Mortality Tables with generational mortality projections using scale MP-2014, calibrated to MSRPS experience.	RP-2014 Mortality Tables with generational mortality projections using scale MP-2014, calibrated to MSRPS experience.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.

Investments

The long-term expected rate of return on pension plan investments was determined using a building–block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the System's Board after considering input from the investment consultant(s) and actuary(s). For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

	June 30, 2018			June 30, 2017	
Asset Class	Target Allocations	Long-Term Expected Real Rate of Return		Target Allocations	Long-Term Expected Real Rate of Return
Public Equity	37%	5.8%		36%	5.3%
Private Equity	13%	6.7%		11%	7.0%
Rate Sensitive/Fixed Income	19%	1.1%		21%	1.2%
Credit Opportunity	9%	3.6%		9%	3.6%
Real Assets	14%	4.8%		15%	5.7%
Absolute Return	8%	3.2%		8%	3.1%
Total	100%			100%	

The above was the asset allocation policy adopted by the System's Board of Trustees and best estimate of geometric real rates of return for each major asset class as of June 30, 2018 and 2017, respectively.

Discount Rate

Discount rates of 7.45% and 7.5% were used to measure the total pension liability as of June 30, 2018 and 2017, respectively. The discount rates were based on the expected rates of return on pension plan investments of 7.45% and 7.5%, respectively. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability

The following presents the sensitivity of the System's net pension liability to changes in the discount rates and the Authority's proportionate share of the System's net pension liability (expressed in thousands), calculated using discount rates of 7.45% and 7.5%, a discount rate that is 1-percentage point lower (i.e., 6.45%/6.5%) and a discount rate that is 1-percentage point higher (i.e., 8.45%/8.5%):

$ expressed in thousands

2018	1% Lower – 6.45%	Current Rate – 7.45%	1% Higher – 8.45%
The System's Net Pension Liability	$30,220,704	$20,981,600	$13,313,808
The Authority's Proportionate Share of Net Pension Liability	$727	$505	$320

2017	1% Lower – 6.5%	Current Rate – 7.5%	1% Higher – 8.5%
The System's Net Pension Liability	$30,645,067	$21,623,704	$14,138,519
The Authority's Proportionate Share of Net Pension Liability	$721	$509	$333

Pension Plan Description

Organization

The State Retirement Agency (the "Agency") is the administrator of the System. The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. Responsibility for the System's administration and operation is vested in a 15-member Board of Trustees. The System is made up of two cost-sharing employer pools: the "State Pool" and the "Municipal Pool". The "State Pool" consists of the State agencies, boards of education, community colleges, and libraries. The "Municipal Pool" consists of the participating governmental units that elected to join the System. Neither pool shares in each other's actuarial liabilities, thus participating governmental units that elect to join the System (the "Municipal Pool") share in the liabilities of the Municipal Pool only. The State of Maryland is the statutory guarantor for the payment of all pensions, annuities, retirement allowances, refunds, reserves, and other benefits of the System. The Agency is legally authorized to use all assets accumulated for the payment of benefits to pay such obligations to any plan member or beneficiary as defined by the terms of the plan. Consequently, the System is accounted for as a single plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, "Financial Reporting for Pension Plans - An Amendment of GASB Statement No.25." Additionally, the System is fiscally dependent on the State by virtue of the legislative and executive controls exercised with respect to its operations, policies, and administrative budget. Accordingly, the System is included in the State's reporting entity and disclosed in its financial statements as a pension trust fund. The System is comprised of the Teachers' Retirement and Pension Systems, Employees' Retirement and Pension Systems, State Police Retirement System, Judges' Retirement System, and the Law Enforcement Officers' Pension System. The Authority's employees participate in the Employees' Retirement and Pension System.

Covered Members

On October 1, 1941, the Employees' Retirement System was established to provide retirement allowances and other benefits to State employees, elected and appointed officials and the employees of participating governmental units. Effective January 1, 1980, the Employees' Retirement System was essentially closed to new members and the Employees' Pension System was established. As a result, State employees (other than correctional officers) and employees of participating governmental units hired after December 31, 1979, became members of the Employees' Pension System as a condition of employment, while all State correctional officers and members of the Maryland General Assembly continue to be enrolled as members of the Employees' Retirement System. On or after January 1, 2005, an individual who is a member of the Employees' Retirement System may not transfer membership to the Employees' Pension System. Currently, more than 150 governmental units participate in the Employees' Retirement System.

Summary of Significant Plan Provisions

All plan benefits are specified by the State Personnel and Pensions Article of the Annotated Code of Maryland. For all individuals who were members of the System on or before June 30, 2011, pension allowances are computed using both the highest three consecutive years' Average Final Compensation (AFC) and the actual number of years of accumulated creditable service. For any individual who became or becomes a member of one of the pension systems on or after July 1, 2011, pension allowances are computed using both the highest five consecutive years' AFC and the actual number of years of accumulated creditable service. Various retirement options are available under each system which ultimately determine how a retiree's benefit allowance will be computed. Some of these options require actuarial reductions based on the retiree's and designated beneficiary's attained age and similar actuarial factors. The member contribution rate was increased for members of the Employees' Pension System from 5% to 7% on July 1, 2011, and from 4% to 6% in fiscal year 2013. In addition, the benefit attributable to service on or after July 1, 2011 in many of the pension systems now will be subject to different cost-of-living adjustments (COLA) that are based on the increase in the Consumer Price Index (CPI) and capped at 2.5% or 1.0% based on whether the market value investment return for the preceding calendar year was higher or lower than the investment return assumption used in the valuation. A brief summary of the retirement eligibility requirements of and the benefits available under the various systems in effect during fiscal years 2018 and 2017, is as follows:

Service Retirement Allowances

A member of the Employees' Retirement System is generally eligible for full retirement benefits upon the earlier of attaining age 60 or accumulating 30 years of creditable service regardless of age. The annual retirement allowance equals 1/55 (1.81%) of the member's AFC multiplied by the number of years of accumulated creditable service. An individual who was a member of the Employees' Pension System on or before June 30, 2011, is eligible for full retirement benefits upon the earlier of attaining age 62, with

specified years of eligibility service, or accumulating 30 years of eligibility service regardless of age. An individual who became or becomes a member of the Employees' Pension System on or after July 1, 2011, is eligible for full retirement benefits if the member's combined age and eligibility service equals at least 90 years or if the member is at least age 65 and has accrued at least 10 years of eligibility service. For most individuals who retired from the Employees' Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.4% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Employees' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.8% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. Beginning July 1, 2011, any new member of the Employees' Pension System shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the Employees' Pension System. Exceptions to these benefit formulas apply to members of the Employees' Pension System, who are employed by a participating governmental unit that does not provide the 1998 or 2006 enhanced pension benefits or the 2011 reformed pension benefits. The pension allowance for these members equals 0.8% of the member's AFC up to the social security integration level (SSIL), plus 1.5% of the member's AFC in excess of the SSIL, multiplied by the number of years of accumulated creditable service. For the purpose of computing pension allowances, the SSIL is the average of the social security wage bases for the past 35 calendar years ending with the year the retiree separated from service.

Vested Allowances

Any individual who was a member of the State Retirement and Pension System on or before June 30, 2011 (other than a judge or a legislator), and who terminates employment before attaining retirement age but after accumulating 5 years of eligibility service is eligible for a vested retirement allowance. Any individual who joined the State Retirement and Pension System on or after July 1, 2011 (other than a judge or a legislator), and who terminates employment before attaining retirement age but after accumulating 10 years of eligibility service is eligible for a vested retirement allowance. A member who joined after June 30, 2011 and terminates employment prior to attaining retirement age and before vesting receives a refund of all member contributions and interest.

Early Service Retirement

A member of the Employees' Retirement System may retire with reduced benefits after completing 25 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree either attains age 60 or would have accumulated

30 years of creditable service, whichever is less. The maximum reduction for an Employees' Retirement System member is 30%. An individual who was a member of the Employees' Pension System on or before June 30, 2011, may retire with reduced benefits upon attaining age 55 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 62. The maximum reduction for these members of the Employees' Pension System is 42%. An individual who became or becomes a member of the Employees' Pension System on or after July 1, 2011, may retire with reduced benefits upon attaining age 60 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 65. The maximum reduction for these members of the Employees' Pension System is 30%.

Disability and Death Benefits

Generally, a member covered under retirement plan provisions who is permanently disabled after 5 years of service receives a service allowance based on a minimum percentage (usually 25%) of the member's AFC. A member covered under pension plan provisions who is permanently disabled after accumulating 5 years of eligibility service receives a service allowance computed as if service had continued with no change in salary until the retiree attained age 62. A member (other than a member of the Maryland General Assembly or a judge, both of whom are ineligible for accidental disability benefits) who is permanently and totally disabled as the result of an accident occurring in the line of duty receives 2/3 (66.7%) of the member's AFC plus an annuity based on all member contributions and interest. Death benefits are equal to a member's annual salary as of the date of death plus all member contributions and interest.

Adjusted Retirement Allowances (as applicable)

The annual increases to pension allowances for Employees' Pension System retirees who were employed by a participating governmental unit that does not provide enhanced pension benefits are limited to 3% of the initial allowance. However, beginning July 1, 2011, for benefits attributable to service earned on or after July 1, 2011, in all of the systems except the judges' and legislators' systems, the adjustment is capped at the lesser of 2.5% or the increase in CPI if the most recent calendar year market value rate of return was greater than or equal to the assumed rate. The adjustment is capped at the lesser of 1% or the increase in CPI if the market value return was less than the assumed rate of return. In years in which COLAs would be less than zero due to a decline in the CPI, retirement allowances will not be adjusted. COLAs in succeeding years are adjusted until the difference between the negative COLA that would have applied and the zero COLA is fully recovered.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019 and 2018, the Authority reported a liability of $505,371 and $509,313, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and 2017, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2018 and 2017, the Authority's proportion was approximately 0.0024086% and 0.0023553%, respectively.

For the years ended June 30, 2019 and 2018, the Authority recognized pension expense of $49,966 and $51,029, respectively. At the measurement dates of June 30, 2018 and 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Measurement Date of June 30, 2018	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ 16,121	$ -
Difference between actual and expected experience	-	41,218
Net difference between projected and actual earnings on pension plan investments	42,205	20,354
Change in proportion	21,014	45,436
Contributions subsequent to the measurement date	44,865	-
Total	$ 124,205	$ 107,008

Measurement Date of June 30, 2017	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ 21,155	$ -
Difference between actual and expected experience	-	36,800
Net difference between projected and actual earnings on pension plan investments	69,635	32,938
Change in proportion	16,437	59,279
Contributions subsequent to the measurement date	48,030	-
Total	$ 155,257	$ 129,017

The deferred outflows of resources of $44,865 and $48,030 relating to contributions subsequent to the measurement dates of June 30, 2018 and 2017, respectively, will be recognized as a reduction of the Authority's net pension liability during the fiscal years ending June 30, 2020 and 2019, respectively. The deferred outflows and inflows of resources due to changes in assumptions, differences between actual and expected experience, change in proportion, and differences between projected and actual investment earnings represent the Authority's proportionate share of the unamortized portions of the System's original amounts.

The deferred inflows and outflows related to non-investment activity for 2018, 2017, 2016, 2015 and 2014 are being amortized over the remaining service lives ranging from 5.54 to 5.87 years. The deferred outflows and inflows related to net differences in investment earnings for 2018, 2017, 2016, 2015 and 2014 are being amortized over a closed 5 year period. These unamortized amounts will be ratably recognized in pension expense over these service lives and the closed 5 year period.

The following tables show the aggregate amortization of these deferred outflows and inflows balances:

Fiscal Year Ended June 30	Deferred Outflows-Net Difference in Investment Earnings	Deferred Inflows-Net Difference in Investment Earnings	Deferred Outflows-Change in Assumptions	Deferred Outflows-Change in Proportion	Deferred Inflows-Change in Proportion	Deferred Inflows-Actual vs Expected Experience
2020	$27,430	$ 6,360	$ 7,089	$ 7,910	$13,844	$11,748
2021	14,775	6,360	6,321	7,166	13,844	11,434
2022	-	6,360	1,181	2,183	12,826	9,149
2023	-	1,274	1,063	2,183	4,922	6,847
2024	-	-	467	1,572	-	2,040
Total	$42,205	$20,354	$16,121	$21,014	$45,436	$41,218

Net Pension Liability

The components of the Authority's proportionate share of the System's net pension liability as of the measurement dates of June 30, 2018 and 2017 were as follows (expressed in thousands):

	June 30, 2018	June 30, 2017
Total Pension Liability	$1,753	$1,663
Less: Plan Fiduciary Net Position	1,248	1,154
Net Pension Liability	$ 505	$ 509
Plan fiduciary net position as a percentage of total pension liability	71.18%	69.38%

The Pension Plan Fiduciary

Plan Information as well as the Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the years ended June 30, 2017 and 2016 are available from:

State Retirement & Pension System of Maryland
120 East Baltimore Street
Baltimore, MD 21202

http://sra.maryland.gov/Agency/Downloads/CAFR/CAFR_FullReport.pdf

NOTE 7: CONDUIT DEBT

The Authority issues indebtedness on behalf of participating institutions. This indebtedness is generally in the form of bonds, notes or financing leases. Funds related to these financings are held in trust by various financial institutions. In general, bonds mature serially in varying annual installments. Certain issues include term bonds payable from annual sinking fund requirements. Notes generally consist of commercial paper that is expected to be paid with proceeds of refunding obligations. The lease and loan payments receivable by the Authority from the institutions correspond to the amortization of the respective bond and note issues. Under the Authority's capital lease financings, institutions may borrow funds to finance equipment and other purchases. Funds disbursed to participating institutions are repayable by the individual institutions and may be collateralized by security interests in the assets financed. The Authority may hold legal title to or a mortgage on the buildings and other assets financed by bonds for the benefit of institutions. Title to any buildings and other assets reverts to the institutions upon final payment of the respective bond issues or leases. Information pertaining to outstanding indebtedness is included in the additional information attached to these financial statements. The Authority is not obligated to pay principal or interest on bonds and notes issued by the Authority except from payments from participating institutions or revenues of the related projects.

The following is a summary of conduit debt activity for the years ended June 30, 2019 and June 30, 2018 (in thousands of dollars):

	2019	2018
Bonds outstanding at beginning of the fiscal year	$9,063,371	$9,042,783
Plus: Bonds issued during fiscal year	228,272	940,412
Less: Redemptions and refundings during fiscal year	(387,836)	(919,824)
Bonds outstanding as of June 30, 2019 and June 30, 2018	$8,903,807	$9,063,371

NOTE 8: SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 10, 2019 (the date these financial statements were available to be issued) and determined that the following subsequent events have occurred and though they have no impact on the financial statements are worthy of disclosure.

New Executive Director – Effective July 1, 2019, Barlow T. Savidge was appointed Executive Director of the Authority. Annette Anselmi, the Executive Director at June 30, 2019 was appointed Director of Special Projects.

New Community Outreach Program – At its July 9, 2019 meeting, the Authority approved guidelines for a Community Outreach Program, the purpose of which is to assist nonprofit health and educational institutions in obtaining financing for facilities located in underserved areas of the State. Among other things, the guidelines stipulate an internal designation of Authority's net position that may not exceed 20% of the net position available for contingencies per the Authority's most recent audited financial statements.

Additional Information – Schedules of Required Pension Related Supplementary Information

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Authority's proportion (%) of collective net pension liability	0.0024%	0.0024%	0.0025%	0.0028%	0.0026%
Authority's proportionate share ($) of collective net pension liability	$505,371	$509,313	$595,776	$574,755	$460,117
Authority's covered payroll ($)*	$721,265	$784,160	$809,354	$779,710	$780,688
Authority's proportionate share of collective net pension liability as a percentage of its covered payroll	70.07%	64.95%	73.61%	73.71%	58.94%
Pension plan's fiduciary net position as a percentage of the total pension liability	71.18%	69.38%	65.79%	68.78%	71.87%

The above schedule is presented to illustrate the requirement for specified information for 10 years. However, until a full 10-year trend is compiled, information is only presented for those years for which information is available.

Schedule of the Authority's Pension Plan Contributions
Last 10 Fiscal Years

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	$ 44,865	$ 48,030	$ 47,939	$ 49,191	$ 58,294	$ 60,419	$ 55,384	$ 65,295	$ 75,807	$ 40,291
Contributions in relation to the contractully required contribution	44,865	48,030	47,939	49,191	58,294	60,419	55,384	65,295	75,807	40,291
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 721,265	$ 784,160	$ 809,354	$ 779,710	$ 780,688	$ 761,281	$ 782,479	$ 727,084	$ 825,270	$ 702,045
Contributions as a percentage of covered-employee payroll	6.22%	6.13%	5.92%	6.31%	7.47%	7.94%	7.08%	8.98%	9.19%	5.74%

* In accordance with GASB 82, amounts shown represent the payroll on which contributions to the pension plan are based.

Additional Information – Funds Held by Third Party Trustees and Escrow Agents

The Authority is including the following additional information relating to funds held by third party trustees and escrow agents.

Trustees are appointed under the terms of the financing documents. Trustee responsibilities may include, but are not limited to: creation of funds to be held for bonds, notes or leases, disbursements of proceeds, deposit of payments received from institutions, and payment of principal and interest on bonds, notes and leases.

The Authority maintains books of accounts for the Debt Principal Funds and the required Trusteed Funds of each of the issues of bonds, notes and leases outstanding. Trusteed Funds are maintained by third party trustees or other fiscal agents in accordance with the requirements of the respective bond, note and lease issue documents. The financial statements included in this additional information combine the Trusteed accounts of all bond, note and lease issues outstanding during the year. Interfund activity is eliminated in the combination.

The following is a description of the funds which relate to trusteed funds:

Construction Funds – Account for the receipt of bond proceeds and other amounts, if any, and disbursement of monies held to pay for project costs, including construction and equipment purchases of participating institutions. All Construction, Cost of Issuance and Capitalized Interest Funds are included as Construction Funds.

Program Funds – Account for the receipt of bond proceeds and disbursement of monies specified as Program Funds in the Pooled Loan Program Series 1985A & B documents.

Debt Service Funds – Account for the receipt and disbursement of monies for the payment of interest and principal on bonds, notes and leases.

Debt Service Reserve Funds – Account for the receipt of bond proceeds and disbursement of monies held in reserve in compliance with certain bond resolutions and indentures. The fund balances are generally required to be maintained at amounts established under the resolution or indenture.

Project Reserve Funds – Account for the receipt and disbursement of monies held in reserve for improvements, major repairs, operations and arbitrage/rebate. The fund balances are established by the bond indentures and resolutions of certain issues. All Renewal and Replacement and Arbitrage Rebate Funds are included as Project Reserve Funds.

Redemption Funds – Account for the accumulation of monies not required by other funds for the eventual redemption or repurchase of bonds.

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Balance Sheets of Trusteed Conduit Debt Funds
As of June 30, 2019
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
Assets			
Cash and cash equivalents	$30,796.5	$6,589.3	$691.0
Investments	877,034.9	37,708.5	187,323.3
Interest receivable	75.9	0.0	0.0
Due from other funds	138.6	234.2	13,300.0
Due from institutions	0.0	0.0	49,692.2
Total Assets	**$908,045.9**	**$44,532.0**	**$251,006.5**
Liabilities and Net Position			
Liabilities			
Accounts payable and accrued expenses	0.0	0.0	183.9
Principal payable	0.0	0.0	130,707.6
Interest payable	0.0	0.0	97,561.9
Due to other funds	12,702.0	234.2	598.0
Total Liabilities	**$12,702.0**	**$234.2**	**$229,051.4**
Restricted Net Position			
Reserved for debt service	0.0	0.0	21,955.1
Reserved for loans under Pooled Loan Program	0.0	44,297.8	0.0
Designated for specific projects	0.0	0.0	0.0
Designated for operations	895,343.9	0.0	0.0
Total Net Position	**$895,343.9**	**$44,297.8**	**$21,955.1**
Total Liabilities and Net Position	**$908,045.9**	**$44,532.0**	**$251,006.5**

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
$8,883.3	$0.0	$0.0	$46,960.1
63,831.3	287.7	0.0	$1,166,185.7
0.2	0.0	0.0	$76.1
0.0	0.0	0.0	$13,672.8
0.0	0.0	0.0	$49,692.2
$72,714.8	**$287.7**	**$0.0**	**$1,276,586.9**
0.0	0.0	0.0	183.9
0.0	0.0	0.0	130,707.6
0.0	0.0	0.0	97,561.9
138.6	0.0	0.0	13,672.8
$138.6	**$0.0**	**$0.0**	**$242,126.2**
72,576.2	0.0	0.0	94,531.3
0.0	0.0	0.0	44,297.8
0.0	287.7	0.0	287.7
0.0	0.0	0.0	895,343.9
$72,576.2	**$287.7**	**$0.0**	**$1,034,460.7**
$72,714.8	**$287.7**	**$0.0**	**$1,276,586.9**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Statements of Changes in Net Position
of Trusteed Conduit Debt Funds
For the year ended June 30, 2019
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
ADDITIONS			
Proceeds from sale of bonds and notes:			
Gross proceeds	$217,337.2	$0.0	$0.0
Underwriter's discount	(868.9)	0.0	0.0
Net original issuance - premium	3,570.8	0.0	0.0
Payments, contributions, equity contributions	422.1	0.0	14,221.4
Lease and loan payments	0.0	0.0	224,587.4
Debt service interest	0.0	0.0	311,903.1
Change in unrealized gain or loss on investments	3,219.5	13.6	(43.4)
Income from investments	15,038.4	817.6	669.3
Transfer from other issuer	104,000.0	0.0	0.0
Total Additions	**$342,719.1**	**$831.2**	**$551,337.8**
DEDUCTIONS			
Project and financing costs	299,032.7	0.0	7,366.1
Loans to institutions	0.0	27,634.1	0.0
Debt service:			
Principal	0.0	0.0	211,174.0
Interest	0.0	0.0	355,171.7
Required payments to institutions	0.0	0.0	41.9
Retirement of bonds	0.0	0.0	58,105.5
Transfer to other issuer	16,482.4	0.0	0.0
Total Deductions	**$315,515.1**	**$27,634.1**	**$631,859.2**
Net Interfund Transfers In/(Out)	(100,405.1)	11,938.8	90,033.4
Beginning of Year Net Position	**$968,545.0**	**$59,161.9**	**$12,443.1**
Ending Net Position	**$895,343.9**	**$44,297.8**	**$21,955.1**

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
$4,389.3	$0.0	$0.0	$221,726.5
0.0	0.0	0.0	(868.9)
0.0	0.0	0.0	3,570.8
0.0	40.0	0.0	14,683.5
0.0	0.0	0.0	224,587.4
0.0	0.0	0.0	311,903.1
511.4	5.2	0.0	3,706.3
1,210.5	0.0	0.0	17,735.8
0.0	0.0	0.0	104,000.0
$6,111.2	**$45.2**	**$0.0**	**$901,044.5**
0.0	0.0	0.0	$306,398.8
0.0	0.0	0.0	27,634.1
0.0	0.0	0.0	211,174.0
0.0	0.0	0.0	355,171.7
0.0	0.0	0.0	41.9
0.0	0.0	0.0	58,105.5
0.0	0.0	0.0	16,482.4
$0.0	**$0.0**	**$0.0**	**$975,008.4**
(1,567.1)	0.0	0.0	(0.0)
$68,032.1	**$242.5**	**$0.0**	**$1,108,424.6**
$72,576.2	**$287.7**	**$0.0**	**$1,034,460.7**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2019, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JULY 1, 2019*	*BONDS AND NOTES PAYABLE SUBSEQUENT TO JULY 1, 2019*
PUBLIC OFFERINGS					
Pooled Loan Program, Series 1985A & B	December 30, 1985	$ 175,000	2035	$ -	$ 175,000
The Johns Hopkins Hospital Issue, Series 1990	June 7, 1990	90,169	2019	9,370	-
Greater Baltimore Medical Center Issue, Series 1995	October 11, 1995	10,000	2025	460	3,210
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 1996	March 28, 1996	42,425	2026	2,125	18,475
Medlantic/Helix Issue, Series 1998A	December 17, 1998	166,605	2038	-	82,055
Medlantic/Helix Issue, Series 1998B	December 17, 1998	116,910	2038	-	56,960
Mercy Ridge Issue, Series 2000	March 1, 2000	69,305	2031	-	17,700
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2001	August 29, 2001	28,030	2034	845	18,985
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004	May 26, 2004	35,665	2034	130	34,070
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004B	December 1, 2004	33,035	2038	-	23,655
The Johns Hopkins University Issue, Series 2005A	March 3, 2005	69,265	2036	-	69,265
Mercy Medical Center Issue, Series 2006	August 3, 2006	35,000	2036	930	27,145
Mercy Ridge Issue, Series 2007	March 22, 2007	23,445	2035	400	18,995
University of Maryland Medical System Issue, Series 2007A	September 12, 2007	96,445	2034	3,015	76,425
Gaudenzia Foundation Issue, Series 2007	December 12, 2007	5,500	2028	230	2,675
Odenton Christian School Issue, Series 2008	March 19, 2008	3,590	2033	-	3,535
University of Maryland Medical System Issue, Series 2008D	May 21, 2008	50,000	2041	-	50,000
University of Maryland Medical System Issue, Series 2008E	May 21, 2008	55,000		-	55,000
University of Maryland Medical System Issue, Series 2008F	July 23, 2008	87,345	2023	6,925	20,630
Anne Arundel Medical Center Issue, Series 2009B	February 19, 2009	60,000	2043	-	60,000
University of Maryland Medical System Issue, Series 2010	January 7, 2010	242,385	2039	8,700	41,510
Carnegie Institute of Washington Issue, Series 2010	February 4, 2010	30,580	2040	-	30,580
Patterson Park Public Charter School Issue, Series 2010A	March 16, 2010	13,085	2045	190	12,400
College of Notre Dame of Maryland Issue, Series 2010	November 24, 2010	11,495	2035	-	9,770
Mercy Medical Center Issue, Series 2011	February 24, 2011	40,770	2031	215	36,610
LifeBridge Health Issue, Series 2011	March 30, 2011	50,695	2041	995	2,145
Greater Baltimore Medical Center Issue, Series 2011	April 20, 2011	67,945	2034	3,495	12,585
Adventist HealthCare Issue, Series 2011A	September 1, 2011	57,205	2036	-	57,205
The Johns Hopkins Health System Obligated Group Issue, Series 2011A	November 10, 2011	74,615	2026	-	50,560
MedStar Health Issue, Series 2011	November 17, 2011	94,920	2041	-	57,250
Greater Baltimore Medical Center Issue, Series 2012A	April 11, 2012	35,680	2034	-	3,475
Mercy Medical Center Issue, Series 2012	April 25, 2012	49,995	2031	-	49,995
The Johns Hopkins Health System Obligated Group Issue, Series 2012B	May 3, 2012	97,560	2033	3,665	74,505
Ascension Health Alliance Senior Credit Group, Series 2012B	May 10, 2012	86,025	2051	-	86,025
Carroll Hospital Center Issue, Series 2012A	May 31, 2012	59,780	2037	1,725	48,775
Loyola University Maryland Issue, Series 2012A	June 7, 2012	49,250	2039	-	36,415
The Johns Hopkins University Issue, Series 2012A	June 14, 2012	153,150	2041	-	153,150
Notre Dame of Maryland University Issue, Series 2012	June 25, 2012	21,195	2042	-	16,500
Goucher College Issue, Series 2012A	August 30, 2012	19,945	2034	600	19,345
Maryland Institute College of Art Issue, Series 2012	October 10, 2012	33,985	2047	-	29,825
Anne Arundel Health System Issue, Series 2012	November 1, 2012	73,625	2034	2,745	56,990
Frederick Memorial Hospital Issue, Series 2012A	December 5, 2012	96,240	2038	1,005	89,835
MedStar Health Issue, Series 2013A	March 21, 2013	117,785	2041	-	112,605
University of Maryland Medical System Issue, Series 2013A	April 2, 2013	247,280	2043	3,920	220,490
University of Maryland Medical System Issue, Series 2013B (Taxable)	April 2, 2013	115,055	2043	-	115,055
MedStar Health Issue, Series 2013B	May 21, 2013	149,760	2038	-	149,760
The Johns Hopkins University Issue, Series 2013B	June 20, 2013	99,625	2041	-	99,625
Calvert Health System Issue, Series 2013	August 22, 2013	31,185	2038	250	29,940
The Johns Hopkins Health System Issue, Series 2013C	August 28, 2013	238,000	2043	-	229,800
City Neighbors Schools Issue, Series 2013A	December 19, 2013	10,745	2044	155	10,065
Loyola University Maryland Issue, Series 2014	October 30, 2014	60,365	2045	-	60,365
Western Maryland Health System Issue, Series 2014	November 19, 2014	236,170	2034	13,000	184,860
Anne Arundel Health System Issue, Series 2014	November 26, 2014	127,305	2039	2,385	113,815
Peninsula Regional Medical Center Issue, Series 2015	February 5, 2015	126,665	2045	2,195	117,685
MedStar Health Issue, Series 2015	February 11, 2015	357,205	2045	-	344,710
The Johns Hopkins Health System Issue, Series 2015A	May 12, 2015	134,735	2040	-	126,550
The Johns Hopkins Medical Institutions Utilities Issue, Series 2015A	May 12, 2015	19,505	2036	-	19,505
University of Maryland Medical System Issue, Series 2015	May 21, 2015	80,145	2041	1,430	73,630
Meritus Medical Center Issue, Series 2015	July 9, 2015	257,300	2045	4,650	240,075
Lifebridge Health Issue, Series 2015	July 30, 2015	159,685	2047	775	158,220
Edenwald Issue, Series 2015	October 14, 2015	49,030	2037	-	44,645
Mercy Medical Center Issue, Series 2016A	March 2, 2016	135,250	2042	-	135,250
Maryland Institute College of Art Issue, Series 2016	October 6, 2016	37,990	2042	-	37,570
Charlestown Community Issue, Series 2016A	November 2, 2016	89,600	2045	-	86,380
LifeBridge Health Issue, Series 2016	November 9, 2016	120,695	2047	230	119,440
Adventist HealthCare Issue, Series 2016A	December 14, 2016	269,750	2046	-	269,750
Trinity Health Credit Group Series 2017MD	January 19, 2017	30,065	2046	-	30,065
University of Maryland Medical System Issue, Series 2017B	February 2, 2017	152,410	2039	1,745	146,620
University of Maryland Medical System Issue, Series 2017C (Taxable)	February 2, 2017	121,400	2029	2,635	109,835
Doctors Community Hospital Issue, Series 2017A	February 23, 2017	64,165	2038	-	64,165
Maryland Institute College of Art Issue, Series 2017	March 7, 2017	17,585	2042	-	17,105
Goucher College Issue, Series 2017A	June 22, 2017	57,565	2044	-	55,705
Green Street Academy Issue, Series 2017A	June 27, 2017	21,040	2052	-	21,040
Green Street Academy Issue, Series 2017B (Taxable)	June 27, 2017	1,075	2023	-	1,075
Medstar Health Issue, Series 2017A	June 29, 2017	395,055	2047	-	395,055
Anne Arundel Health System Issue, Series 2017A	November 1, 2017	42,485	2034	2,030	39,145
Anne Arundel Health System Issue, Series 2017B (taxable)	November 1, 2017	17,760	2027	-	17,760
LifeBridge Health Issue, Series 2017	November 9, 2017	118,120	2044	3,270	111,350

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2019, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JULY 1, 2019*	*BONDS AND NOTES PAYABLE SUBSEQUENT TO JULY 1, 2019*
University of Maryland Medical System Issue, Series 2017D	December 19, 2017	145,265	2048	-	145,265
University of Maryland Medical System Issue, Series 2017E (taxable)	December 19, 2017	44,700	2048	-	44,700
Broadmead Issue, Series 2018A	October 18, 2018	60,555	2048	160	60,395
Broadmead Issue, Series 2018B	October 18, 2018	15,000	2020	-	15,000
Public Offerings Outstanding		$ 7,287,934		$ 86,595	$ 6,163,300
PRIVATE PLACEMENTS AND LIMITED OFFERINGS					
Pooled Loan Program, Series D	January 1, 1994	$ 418,516	2039	$ 270	$ 5,485
The Johns Hopkins University Issue, Commercial Paper, Series A	June 3, 2000	200,000	2033	-	43,769
The Johns Hopkins University Issue, Commercial Paper, Series B	March 22, 2001	200,000	2034	-	23,400
St. John's Episcopal Day School Issue (2001)	December 21, 2001	7,000	2032	17	4,210
The Johns Hopkins Health System Issue, Commercial Paper, Series B	February 9, 2004	40,000	2024	5,645	41,690
Friends School of Baltimore Issue (2004)	April 1, 2004	7,500	2029	29	4,218
Mt. Airy Christian Academy Issue (2005)	August 26, 2005	2,500	2031	5	859
Archdiocese of Baltimore Schools Issue (2007)	June 21, 2007	24,165	2037	-	21,675
Keswick Multi-Care Center Issue (2007)	August 9, 2007	11,520	2037	405	10,730
Mercy Medical Center Issue, Series 2007B & 2007C (Converted)	November 8, 2007	18,080	2034	2,100	15,745
Beth Tfiloh Dahan Community School Issue (2007)	December 18, 2007	15,000	2038	-	8,407
Mercy Medical Center Issue (2008) (Converted)	July 16, 2008	35,325	2022	2,950	9,090
The Boys' Latin School Issue (2009A)	August 26, 2009	14,830	2038	44	9,033
The Boys' Latin School Issue (2009B)	August 26, 2009	5,000	2038	-	5,000
Roland Park Country School Issue (2009)	October 7, 2009	17,400	2037	-	4,360
The SEED School of Maryland Issue (2010)	January 21, 2010	25,000	2037	195	19,900
Oldfields School Issue (2010)	April 14, 2010	2,985	2019	-	2,985
Baltimore Leadership School Issue (2010)	August 11, 2010	4,000	2020	38	630
Park School Issue (2010)	December 1, 2010	14,590	2034	42	9,589
Christ Episcopal School Issue (2010)	December 20, 2010	3,868	2035	-	3,052
Landon School Issue (2011)	June 2, 2011	10,114	2028	50	5,305
Kennedy Krieger Issue (2011)	June 23, 2011	19,610	2036	97	15,320
Barnesville School Issue (2011A)	December 1, 2011	2,431	2031	9	1,700
Barnesville School Issue (2011B)	December 1, 2011	1,000	2033	3	798
French International School Issue (2012)	March 22, 2012	12,620	2034	-	10,100
Charles County Nursing And Rehabilitation Center Issue (2012A)	June 19, 2012	5,446	2037	1	4,313
Charles County Nursing And Rehabilitation Center Issue (2012B)	June 19, 2012	2,554	2037	-	2,207
St. Mary's Nursing Center Issue (2012)	June 19, 2012	5,350	2037	15	4,237
Loyola University Maryland Issue (2012B)	June 26, 2012	32,595	2026	-	26,170
MedStar Health Issue (2012)	June 27, 2012	38,620	2022	-	26,810
Pickersgill Issue (2012)	June 28, 2012	31,150	2033	103	23,379
Union Hospital of Cecil County Issue (2012A)	July 18, 2012	9,924	2022	88	3,204
Union Hospital of Cecil County Issue (2012B)	July 18, 2012	4,007	2022	39	1,422
Calvert Memorial Hospital Issue (2012)	July 24, 2012	19,199	2027	106	11,179
The Foundation Schools Issue (2012)	July 25, 2012	6,221	2037	19	4,924
Linwood Center Issue (2012)	September 19, 2012	4,500	2038	8	2,649
Mount St. Joseph Issue (2012A)	September 27, 2012	14,000	2042	-	11,845
Kennedy Krieger Issue, Series 2012	October 17, 2012	7,880	2019	400	-
Hebrew Home of Greater Washington Issue (2012)	December 20, 2012	21,308	2032	82	15,462
Trinity School Issue (2013)	January 24, 2013	6,450	2026	39	3,908
Roland Park Place Issue (2013)	April 10, 2013	19,966	2024	154	9,301
Way Station Issue (2013)	May 2, 2013	7,200	2028	38	4,589
Adventist HealthCare Issue (2013)	June 12, 2013	15,624	2025	133	7,413
Kennedy Krieger Issue (2013)	July 24, 2013	16,730	2033	-	16,070
Stevenson University Issue (2013A)	October 15, 2013	97,670	2043	197	87,459
Stevenson University Issue (2013B)	October 15, 2013	25,000	2043	52	22,078
Stevenson University Issue (2013C)	October 15, 2013	25,000	2043	54	21,849
Augsburg Lutheran Home Issue, Series 2013A	December 5, 2013	9,483	2035	31	7,576
Augsburg Lutheran Home Issue, Series 2013B	December 5, 2013	9,483	2035	30	7,681
Adventist HealthCare Issue (2014A)	February 26, 2014	25,000	2038	60	21,670
Family Services Issue (2014)	March 4, 2014	4,430	2039	12	3,531
Our Lady of Good Counsel Issue (2014A)	March 12, 2014	31,125	2039	86	26,406
Gilman School Issue (2014)	October 16, 2014	35,500	2036	-	35,500
DeMatha Catholic High School Issue (2014)	November 13, 2014	17,750	2039	41	15,678
Union Hospital of Cecil County Issue (2014)	December 10, 2014	30,778	2039	10	30,228
Our Lady of Good Counsel Issue (2015B)	March 17, 2015	2,950	2040	8	2,585
Our Lady of Good Counsel Issue (2015C)	March 17, 2015	7,500	2024	360	2,751
Indian Creek School Issue (2015)	August 27, 2015	12,810	2030	30	10,574
Calvert Memorial Hospital Issue (2015)	September 10, 2015	21,000	2035	74	17,798
University of Maryland Faculty Physicians Issue (2015)	December 1, 2015	12,615	2031	65	10,140
Friends Community School Issue (2015)	December 17, 2015	4,900	2045	10	4,499
Mercy Medical Center Issue (2016B)	May 19, 2016	35,055	2037	1,690	33,365
Mercy Medical Center Issue (2016C)	May 19, 2016	65,450	2042	-	63,205
The Johns Hopkins Health System Issue (2016A)	May 31, 2016	48,565	2037	6,035	32,140
The Johns Hopkins Health System Issue (2016B)	June 20, 2016	48,245	2042	-	48,245
Bishop McNamara High School Issue (2016)	June 23, 2016	10,800	2041	29	10,097
Doctors Community Hospital Issue (2016)	June 28, 2016	31,945	2030	-	31,945
The Key School Issue (2016A)	July 21, 2016	15,999	2046	17	12,540
Severn School Issue (2016A)	August 31, 2016	12,500	2036	43	11,069
University of Maryland Medical System Issue (2016A)	September 27, 2016	36,640	2034	1,300	32,905
University of Maryland Medical System Issue (2016B)	September 27, 2016	50,295	2041	-	50,295
University of Maryland Medical System Issue (2016C)	September 27, 2016	50,345	2041	-	50,345

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2019, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JULY 1, 2019*	*BONDS AND NOTES PAYABLE SUBSEQUENT TO JULY 1, 2019*
University of Maryland Medical System Issue (2016D)	September 27, 2016	75,505	2041	-	75,505
Mosaic Community Services Issue (2016)	September 28, 2016	4,066	2026	32	3,030
University of Maryland Medical System Issue (2016E)	October 13, 2016	54,370	2039	2,145	49,610
University of Maryland Medical System Issue (2016F)	October 13, 2016	54,360	2039	1,325	50,840
Charlestown Community Issue (2016B)	November 2, 2016	30,000	2045	55	28,375
Charlestown Community Issue (2016C)	December 1, 2016	25,000	2045	-	25,000
Adventist HealthCare Issue (2016B)	December 14, 2016	126,395	2046	-	126,395
University of Maryland Medical System Issue (2017A)	January 3, 2017	46,220	2042	1,170	42,840
Roland Park Place Issue (2017)	March 2, 2017	30,000	2042	-	30,000
Greater Baltimore Medical Center Issue (2017)	March 8, 2017	73,720	2034	740	71,455
Kennedy Krieger Issue (2017A)	March 9, 2017	23,000	2042	29	22,705
Kennedy Krieger Issue (2017B)	March 9, 2017	27,510	2037	46	26,367
Connelly School of the Holy Child Issue (2017A)	March 28, 2017	3,980	2037	15	3,887
The Vestry of Holy Trinity Parish Issue (2017)	March 29, 2017	3,481	2027	7	3,295
Doctors Community Hospital Issue (2017B)	April 4, 2017	38,710	2024	390	28,180
Bryn Mawr School Issue (2017A)	June 13, 2017	8,045	2042	-	8,045
Bryn Mawr School Issue (2017B)	June 13, 2017	4,000	2042	-	4,000
Frederick Memorial Hospital Issue (2017A)	June 15, 2017	29,000	2042	-	25,880
Frederick Memorial Hospital Issue (2017B)	June 15, 2017	60,645	2035	3,425	50,790
Goucher College Issue (2017B)	June 22, 2017	30,000	2033	125	28,396
Atlantic General Hospital Issue (2017A)	September 14, 2017	7,501	2027	-	7,501
Atlantic General Hospital Issue (2017B)	September 14, 2017	20,013	2042	-	16,484
The Johns Hopkins Health System Issue (2017B)	October 11, 2017	168,825	2038	-	163,990
The Johns Hopkins Health System Issue (2012E/2017C)	November 16, 2017	7,500	2038	9,750	90,250
Adventist HealthCare Issue (2017)	December 14, 2017	40,000	2042	195	39,805
Sheppard Pratt Issue (2017)	December 20, 2017	178,748	2048	344	173,021
Calvert Hall College Issue (2017)	December 21, 2017	16,000	2038	55	15,394
The Johns Hopkins Health System Issue (2018A)	April 25, 2018	48,245	2048	-	48,245
The Johns Hopkins Health System Issue (2018B)	May 10, 2018	88,250	2046	-	88,250
Annapolis Life Care Issue (2018A)	August 21, 2018	38,981	2048	59	38,458
Annapolis Life Care Issue (2018B)	August 21, 2018	10,000	2048	-	50
Notre Dame Preparatory School Issue (2018)	August 30, 2018	7,000	2048	-	7,000
Sandy Spring Friends School Issue (2018A)	September 20, 2018	14,461	2048	23	14,269
Sandy Spring Friends School Issue (2018B)	September 20, 2018	8,000	2048	-	50
Sandy Spring Friends School Issue (2018C)	September 20, 2018	6,025	2025	-	6,025
Stella Maris Issue (2018)	December 19, 2018	21,000	2050	825	20,175
Rockbridge Academy Issue (2019A)	January 16, 2019	5,250	2022	-	5,250
Rockbridge Academy Issue (2019B)	January 16, 2019	2,000	2024	-	1,838
Stone Ridge School Issue (2019A)	June 18, 2019	25,000	2049	-	8,812
Stone Ridge School Issue (2019B)	June 18, 2019	15,000	2029	-	51
Private Placements and Limited Offerings Outstanding		$ 3,636,417		$ 44,113	$ 2,609,799
Total Outstanding		$ 10,924,351		$ 130,708	$ 8,773,099

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2019, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JULY 1, 2019*	*BONDS AND NOTES PAYABLE SUBSEQUENT TO JULY 1, 2019*
Adventist HealthCare Issue, Series 2011A	September 1, 2011	$ 57,205	2036	$ -	$ 57,205
Adventist HealthCare Issue (2013)	June 12, 2013	15,624	2025	133	7,413
Adventist HealthCare Issue (2014A)	February 26, 2014	25,000	2038	60	21,670
Adventist HealthCare Issue, Series 2016A	December 14, 2016	269,750	2046	-	269,750
Adventist HealthCare Issue (2016B)	December 14, 2016	126,395	2046	-	126,395
Adventist HealthCare Issue (2017)	December 14, 2017	40,000	2042	195	39,805
Subtotal		533,974		388	522,238
Annapolis Life Care Issue (2018A)	August 21, 2018	38,981	2048	59	38,458
Annapolis Life Care Issue (2018B)	August 21, 2018	10,000	2048	-	50
Subtotal		48,981		59	38,508
Anne Arundel Medical Center Issue, Series 2009B	February 19, 2009	60,000	2043	-	60,000
Anne Arundel Health System Issue, Series 2012	November 1, 2012	73,625	2034	2,745	56,990
Anne Arundel Health System Issue, Series 2014	November 26, 2014	127,305	2039	2,385	113,815
Anne Arundel Health System Issue, Series 2017A	November 1, 2017	42,485	2034	2,030	39,145
Anne Arundel Health System Issue, Series 2017B (taxable)	November 1, 2017	17,760	2027	-	17,760
Subtotal		321,175		7,160	287,710
Archdiocese of Baltimore Schools Issue (2007)	June 21, 2007	24,165	2037	-	21,675
Ascension Health Alliance Senior Credit Group, Series 2012B	May 10, 2012	86,025	2051	-	86,025
Atlantic General Hospital Issue (2017A)	September 14, 2017	7,501	2027	-	7,501
Atlantic General Hospital Issue (2017B)	September 14, 2017	20,013	2042	-	16,484
Subtotal		27,514		-	23,985
Augsburg Lutheran Home Issue, Series 2013A	December 5, 2013	9,483	2035	31	7,576
Augsburg Lutheran Home Issue, Series 2013B	December 5, 2013	9,483	2035	30	7,681
Subtotal		18,966		61	15,257
Baltimore Leadership School Issue (2010)	August 11, 2010	4,000	2020	38	630
Barnesville School Issue (2011A)	December 1, 2011	2,431	2031	9	1,700
Barnesville School Issue (2011B)	December 1, 2011	1,000	2033	3	798
Subtotal		3,431		12	2,498
Beth Tfiloh Dahan Community School Issue (2007)	December 18, 2007	15,000	2038	-	8,407
Bishop McNamara High School Issue (2016)	June 23, 2016	10,800	2041	29	10,097
Broadmead Issue, Series 2018A	October 18, 2018	60,555	2048	160	60,395
Broadmead Issue, Series 2018B	October 18, 2018	15,000	2020	-	15,000
Subtotal		75,555		160	75,395
Bryn Mawr School Issue (2017A)	June 13, 2017	8,045	2042	-	8,045
Bryn Mawr School Issue (2017B)	June 13, 2017	4,000	2042	-	4,000
Subtotal		12,045		-	12,045
Calvert Hall College Issue (2017)	December 21, 2017	16,000	2038	55	15,394
Calvert Memorial Hospital Issue (2012)	July 24, 2012	19,199	2027	106	11,179
Calvert Health System Issue, Series 2013	August 22, 2013	31,185	2038	250	29,940
Calvert Memorial Hospital Issue (2015)	September 10, 2015	21,000	2035	74	17,798
Subtotal		71,384		430	58,917
Carnegie Institute of Washington Issue, Series 2010	February 4, 2010	30,580	2040	-	30,580
Charles County Nursing And Rehabilitation Center Issue (2012A)	June 19, 2012	5,446	2037	1	4,313
Charles County Nursing And Rehabilitation Center Issue (2012B)	June 19, 2012	2,554	2037	-	2,207
Subtotal		8,000		1	6,520
Charlestown Community Issue, Series 2016A	November 2, 2016	89,600	2045	-	86,380
Charlestown Community Issue (2016B)	November 2, 2016	30,000	2045	55	28,375
Charlestown Community Issue (2016C)	December 1, 2016	25,000	2045	-	25,000
Subtotal		144,600		55	139,755
Christ Episcopal School Issue (2010)	December 20, 2010	3,868	2035	-	3,052
City Neighbors Schools Issue, Series 2013A	December 19, 2013	10,745	2044	155	10,065
Connelly School of the Holy Child Issue (2017A)	March 28, 2017	3,980	2037	15	3,887
DeMatha Catholic High School Issue (2014)	November 13, 2014	17,750	2039	41	15,678
Doctors Community Hospital Issue (2016)	June 28, 2016	31,945	2030	-	31,945
Doctors Community Hospital Issue, Series 2017A	February 23, 2017	64,165	2038	-	64,165
Doctors Community Hospital Issue (2017B)	April 4, 2017	38,710	2024	390	28,180
Subtotal		134,820		390	124,290
Edenwald Issue, Series 2015	October 14, 2015	49,030	2037	-	44,645

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding by Borrower

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Family Services Issue (2014)	March 4, 2014	4,430	2039	12	3,531
Frederick Memorial Hospital Issue, Series 2012A	December 5, 2012	96,240	2038	1,005	89,835
Frederick Memorial Hospital Issue (2017A)	June 15, 2017	29,000	2042	-	25,880
Frederick Memorial Hospital Issue (2017B)	June 15, 2017	60,645	2035	3,425	50,790
Subtotal		185,885		4,430	166,505
French International School Issue (2012)	March 22, 2012	12,620	2034	-	10,100
Friends Community School Issue (2015)	December 17, 2015	4,900	2045	10	4,499
Friends School of Baltimore Issue (2004)	April 1, 2004	7,500	2029	29	4,218
Gaudenzia Foundation Issue, Series 2007	December 12, 2007	5,500	2028	230	2,675
Gilman School Issue (2014)	October 16, 2014	35,500	2036	-	35,500
Goucher College Issue, Series 2012A	August 30, 2012	19,945	2034	600	19,345
Goucher College Issue, Series 2017A	June 22, 2017	57,565	2044	-	55,705
Goucher College Issue (2017B)	June 22, 2017	30,000	2033	125	28,396
Subtotal		107,510		725	103,446
Greater Baltimore Medical Center Issue, Series 1995	October 11, 1995	10,000	2025	460	3,210
Greater Baltimore Medical Center Issue, Series 2011	April 20, 2011	67,945	2034	3,495	12,585
Greater Baltimore Medical Center Issue, Series 2012A	April 11, 2012	35,680	2034	-	3,475
Greater Baltimore Medical Center Issue (2017)	March 8, 2017	73,720	2034	740	71,455
Subtotal		187,345		4,695	90,725
Green Street Academy Issue, Series 2017A	June 27, 2017	21,040	2052	-	21,040
Green Street Academy Issue, Series 2017B (Taxable)	June 27, 2017	1,075	2023	-	1,075
Subtotal		22,115		-	22,115
Hebrew Home of Greater Washington Issue (2012)	December 20, 2012	21,308	2032	82	15,462
Indian Creek School Issue (2015)	August 27, 2015	12,810	2030	30	10,574
Kennedy Krieger Issue (2011)	June 23, 2011	19,610	2036	97	15,320
Kennedy Krieger Issue, Series 2012	October 17, 2012	7,880	2019	400	-
Kennedy Krieger Issue (2013)	July 24, 2013	16,730	2033	-	16,070
Kennedy Krieger Issue (2017A)	March 9, 2017	23,000	2042	29	22,705
Kennedy Krieger Issue (2017B)	March 9, 2017	27,510	2037	46	26,367
Subtotal		94,730		572	80,462
Keswick Multi-Care Center Issue (2007)	August 9, 2007	11,520	2037	405	10,730
Landon School Issue (2011)	June 2, 2011	10,114	2028	50	5,305
LifeBridge Health Issue, Series 2011	March 30, 2011	50,695	2041	995	2,145
Carroll Hospital Center Issue, Series 2012A	May 31, 2012	59,780	2037	1,725	48,775
Lifebridge Health Issue, Series 2015	July 30, 2015	159,685	2047	775	158,220
LifeBridge Health Issue, Series 2016	November 9, 2016	120,695	2047	230	119,440
LifeBridge Health Issue, Series 2017	November 9, 2017	118,120	2044	3,270	111,350
Subtotal		508,975		6,995	439,930
Linwood Center Issue (2012)	September 19, 2012	4,500	2038	8	2,649
Loyola University Maryland Issue, Series 2012A	June 7, 2012	49,250	2039	-	36,415
Loyola University Maryland Issue (2012B)	June 26, 2012	32,595	2026	-	26,170
Loyola University Maryland Issue, Series 2014	October 30, 2014	60,365	2045	-	60,365
Subtotal		142,210		-	122,950
Maryland Institute College of Art Issue, Series 2012	October 10, 2012	33,985	2047	-	29,825
Maryland Institute College of Art Issue, Series 2016	October 6, 2016	37,990	2042	-	37,570
Maryland Institute College of Art Issue, Series 2017	March 7, 2017	17,585	2042	-	17,105
Subtotal		89,560		-	84,500
Medlantic/Helix Issue, Series 1998A	December 17, 1998	166,605	2038	-	82,055
Medlantic/Helix Issue, Series 1998B	December 17, 1998	116,910	2038	-	56,960
MedStar Health Issue, Series 2011	November 17, 2011	94,920	2041	-	57,250
MedStar Health Issue (2012)	June 27, 2012	38,620	2022	-	26,810
MedStar Health Issue, Series 2013A	March 21, 2013	117,785	2041	-	112,605
MedStar Health Issue, Series 2013B	May 21, 2013	149,760	2038	-	149,760
MedStar Health Issue, Series 2015	February 11, 2015	357,205	2045	-	344,710
Medstar Health Issue, Series 2017A	June 29, 2017	395,055	2047	-	395,055
Subtotal		1,436,860		-	1,225,205
Mercy Medical Center Issue, Series 2006	August 3, 2006	35,000	2036	930	27,145
Mercy Medical Center Issue, Series 2007B & 2007C (Converted)	November 8, 2007	18,080	2034	2,100	15,745
Mercy Medical Center Issue (2008) (Converted)	July 16, 2008	35,325	2022	2,950	9,090
Mercy Medical Center Issue, Series 2011	February 24, 2011	40,770	2031	215	36,610
Mercy Medical Center Issue, Series 2012	April 25, 2012	49,995	2031	-	49,995
Mercy Medical Center Issue, Series 2016A	March 2, 2016	135,250	2042	-	135,250
Mercy Medical Center Issue (2016B)	May 19, 2016	35,055	2037	1,690	33,365

Maryland Health and Higher Educational Facilities Authority
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Mercy Medical Center Issue (2016C)	May 19, 2016	65,450	2042	-	63,205
Subtotal		414,925		7,885	370,405
Mercy Ridge Issue, Series 2000	March 1, 2000	69,305	2031	-	17,700
Mercy Ridge Issue, Series 2007	March 22, 2007	23,445	2035	400	18,995
Subtotal		92,750		400	36,695
Meritus Medical Center Issue, Series 2015	July 9, 2015	257,300	2045	4,650	240,075
Mosaic Community Services Issue (2016)	September 28, 2016	4,066	2026	32	3,030
Mount St. Joseph Issue (2012A)	September 27, 2012	14,000	2042	-	11,845
Mt. Airy Christian Academy Issue (2005)	August 26, 2005	2,500	2031	5	859
College of Notre Dame of Maryland Issue, Series 2010	November 24, 2010	11,495	2035	-	9,770
Notre Dame of Maryland University Issue, Series 2012	June 25, 2012	21,195	2042	-	16,500
Subtotal		32,690		-	26,270
Notre Dame Preparatory School Issue (2018)	August 30, 2018	7,000	2048	-	7,000
Odenton Christian School Issue, Series 2008	March 19, 2008	3,590	2033	-	3,535
Oldfields School Issue (2010)	April 14, 2010	2,985	2019	-	2,985
Our Lady of Good Counsel Issue (2014A)	March 12, 2014	31,125	2039	86	26,406
Our Lady of Good Counsel Issue (2015B)	March 17, 2015	2,950	2040	8	2,585
Our Lady of Good Counsel Issue (2015C)	March 17, 2015	7,500	2024	360	2,751
Subtotal		41,575		454	31,742
Park School Issue (2010)	December 1, 2010	14,590	2034	42	9,589
Patterson Park Public Charter School Issue, Series 2010A	March 16, 2010	13,085	2045	190	12,400
Peninsula Regional Medical Center Issue, Series 2015	February 5, 2015	126,665	2045	2,195	117,685
Pickersgill Issue (2012)	June 28, 2012	31,150	2033	103	23,379
Pooled Loan Program, Series 1985A & B	December 30, 1985	175,000	2035	-	175,000
Pooled Loan Program, Series D	January 1, 1994	418,516	2039	270	5,485
Rockbridge Academy Issue (2019A)	January 16, 2019	5,250	2022	-	5,250
Rockbridge Academy Issue (2019B)	January 16, 2019	2,000	2024	-	1,838
Subtotal		7,250		-	7,088
Roland Park Country School Issue (2009)	October 7, 2009	17,400	2037	-	4,360
Roland Park Place Issue (2013)	April 10, 2013	19,966	2024	154	9,301
Roland Park Place Issue (2017)	March 2, 2017	30,000	2042	-	30,000
Subtotal		49,966		154	39,301
Sandy Spring Friends School Issue (2018A)	September 20, 2018	14,461	2048	23	14,269
Sandy Spring Friends School Issue (2018B)	September 20, 2018	8,000	2048	-	50
Sandy Spring Friends School Issue (2018C)	September 20, 2018	6,025	2025	-	6,025
Subtotal		28,486		23	20,344
Severn School Issue (2016A)	August 31, 2016	12,500	2036	43	11,069
Sheppard Pratt Issue (2017)	December 20, 2017	178,748	2048	344	173,021
St. John's Episcopal Day School Issue (2001)	December 21, 2001	7,000	2032	17	4,210
St. Mary's Nursing Center Issue (2012)	June 19, 2012	5,350	2037	15	4,237
Stella Maris Issue (2018)	December 19, 2018	21,000	2050	825	20,175
Stevenson University Issue (2013A)	October 15, 2013	97,670	2043	197	87,459
Stevenson University Issue (2013B)	October 15, 2013	25,000	2043	52	22,078
Stevenson University Issue (2013C)	October 15, 2013	25,000	2043	54	21,849
Subtotal		147,670		303	131,386
Stone Ridge School Issue (2019A)	June 18, 2019	25,000	2049	-	8,812
Stone Ridge School Issue (2019B)	June 18, 2019	15,000	2029	-	51
Subtotal		40,000		-	8,863
The Boys' Latin School Issue (2009A)	August 26, 2009	14,830	2038	44	9,033
The Boys' Latin School Issue (2009B)	August 26, 2009	5,000	2038	-	5,000
Subtotal		19,830		44	14,033
The Foundation Schools Issue (2012)	July 25, 2012	6,221	2037	19	4,924
The Johns Hopkins Hospital Issue, Series 1990	June 7, 1990	90,169	2019	9,370	-

Maryland Health and Higher Educational Facilities Authority
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The Johns Hopkins Health System Issue, Commercial Paper, Series B	February 9, 2004	40,000	2024	5,645	41,690
The Johns Hopkins Health System Obligated Group Issue, Series 2011A	November 10, 2011	74,615	2026	-	50,560
The Johns Hopkins Health System Obligated Group Issue, Series 2012B	May 3, 2012	97,560	2033	3,665	74,505
The Johns Hopkins Health System Issue, Series 2013C	August 28, 2013	238,000	2043	-	229,800
The Johns Hopkins Health System Issue, Series 2015A	May 12, 2015	134,735	2040	-	126,550
The Johns Hopkins Health System Issue (2016A)	May 31, 2016	48,565	2037	6,035	32,140
The Johns Hopkins Health System Issue (2016B)	June 20, 2016	48,245	2042	-	48,245
The Johns Hopkins Health System Issue (2017B)	October 11, 2017	168,825	2038	-	163,990
The Johns Hopkins Health System Issue (2012E/2017C)	November 16, 2017	7,500	2038	9,750	90,250
The Johns Hopkins Health System Issue (2018A)	April 25, 2018	48,245	2048	-	48,245
The Johns Hopkins Health System Issue (2018B)	May 10, 2018	88,250	2046	-	88,250
Subtotal		1,084,709		34,465	994,225
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 1996	March 28, 1996	42,425	2026	2,125	18,475
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2001	August 29, 2001	28,030	2034	845	18,985
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004	May 26, 2004	35,665	2034	130	34,070
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004B	December 1, 2004	33,035	2038	-	23,655
Subtotal		139,155		3,100	95,185
The Johns Hopkins Medical Institutions Utilities Issue, Series 2015A	May 12, 2015	19,505	2036	-	19,505
The Johns Hopkins University Issue, Commercial Paper, Series A	June 3, 2000	200,000	2033	-	43,769
The Johns Hopkins University Issue, Commercial Paper, Series B	March 22, 2001	200,000	2034	-	23,400
The Johns Hopkins University Issue, Series 2005A	March 3, 2005	69,265	2036	-	69,265
The Johns Hopkins University Issue, Series 2012A	June 14, 2012	153,150	2041	-	153,150
The Johns Hopkins University Issue, Series 2013B	June 20, 2013	99,625	2041	-	99,625
Subtotal		722,040		-	389,209
The Key School Issue (2016A)	July 21, 2016	15,999	2046	17	12,540
The SEED School of Maryland Issue (2010)	January 21, 2010	25,000	2037	195	19,900
The Vestry of Holy Trinity Parish Issue (2017)	March 29, 2017	3,481	2027	7	3,295
Trinity Health Credit Group Series 2017MD	January 19, 2017	30,065	2046	-	30,065
Trinity School Issue (2013)	January 24, 2013	6,450	2026	39	3,908
Union Hospital of Cecil County Issue (2012A)	July 18, 2012	9,924	2022	88	3,204
Union Hospital of Cecil County Issue (2012B)	July 18, 2012	4,007	2022	39	1,422
Union Hospital of Cecil County Issue (2014)	December 10, 2014	30,778	2039	10	30,228
Subtotal		44,709		137	34,854
University of Maryland Faculty Physicians Issue (2015)	December 1, 2015	12,615	2031	65	10,140
University of Maryland Medical System Issue, Series 2007A	September 12, 2007	96,445	2034	3,015	76,425
University of Maryland Medical System Issue, Series 2008D	May 21, 2008	50,000	2041	-	50,000
University of Maryland Medical System Issue, Series 2008E	May 21, 2008	55,000		-	55,000
University of Maryland Medical System Issue, Series 2008F	July 23, 2008	87,345	2023	6,925	20,630
University of Maryland Medical System Issue, Series 2010	January 7, 2010	242,385	2039	8,700	41,510
University of Maryland Medical System Issue, Series 2013A	April 2, 2013	247,280	2043	3,920	220,490
University of Maryland Medical System Issue, Series 2013B (Taxable)	April 2, 2013	115,055	2043	-	115,055
University of Maryland Medical System Issue, Series 2015	May 21, 2015	80,145	2041	1,430	73,630
University of Maryland Medical System Issue (2016A)	September 27, 2016	36,640	2034	1,300	32,905
University of Maryland Medical System Issue (2016B)	September 27, 2016	50,295	2041	-	50,295
University of Maryland Medical System Issue (2016C)	September 27, 2016	50,345	2041	-	50,345
University of Maryland Medical System Issue (2016D)	September 27, 2016	75,505	2041	-	75,505
University of Maryland Medical System Issue (2016E)	October 13, 2016	54,370	2039	2,145	49,610
University of Maryland Medical System Issue (2016F)	October 13, 2016	54,360	2039	1,325	50,840
University of Maryland Medical System Issue (2017A)	January 3, 2017	46,220	2042	1,170	42,840
University of Maryland Medical System Issue, Series 2017B	February 2, 2017	152,410	2039	1,745	146,620
University of Maryland Medical System Issue, Series 2017C (Taxable)	February 2, 2017	121,400	2029	2,635	109,835
University of Maryland Medical System Issue, Series 2017D	December 19, 2017	145,265	2048	-	145,265
University of Maryland Medical System Issue, Series 2017E (taxable)	December 19, 2017	44,700	2048	-	44,700
Subtotal		1,805,165		34,310	1,451,500
Way Station Issue (2013)	May 2, 2013	7,200	2028	38	4,589
Western Maryland Health System Issue, Series 2014	November 19, 2014	236,170	2034	13,000	184,860
Total Outstanding		$ 10,924,351		$ 130,708	$ 8,773,099

DEFEASED CONDUIT DEBT

Bonds have been issued for the purpose of refunding bonds that were issued by the Authority. In some cases, the proceeds of the refunding bonds were deposited into escrow trusts to be applied in future years to retire the refunded bonds. The trusts are held by independent trustees and are invested in obligations of the United States Government which mature and bear interest in such amounts and payable at such times as will be sufficient to pay the principal and interest of the defeased bonds when due upon maturity or redemption.

Defeased bonds outstanding at June 30, 2019 are as follows (in thousands of dollars):

Anne Arundel Health System Issue, Series 2009A	$110,760
Anne Arundel Health System, Series 2010 – (partial redemption)	20,700
Anne Arundel Health System, Series 2010 – (partial redemption)	30,950
Anne Arundel Health System, Series 2010	19,405
Charlestown Community Issue, Series 2010	112,905
Doctors Community Hospital Issue, Series 2010 (partial redemption)	11,955
Doctors Community Hospital Issue, Series 2010	68,690
Greater Baltimore Medical Center Issue, Series 2011	32,480
Greater Baltimore Medical Center Issue, Series 2012A	32,205
Helix Health Issue, Series 1997	64,855
Johns Hopkins Health System Issue, Series 2010	148,195
Johns Hopkins Health System Issue, Series 2015D	25,145
LifeBridge Health Issue, Series 2011 (partial redemption)	41,570
University of Maryland Medical System Issue, Series 1991B	16,640
University of Maryland Medical System Issue, Series 2010 (partial redemption)	140,855
Total	$877,310

Requests for Information

This financial report is designed to provide interested parties with a general overview of the Authority's finances. If you have questions about this report or need additional financial information, please contact:

Maryland Health and Higher Educational Facilities Authority
Attention: Executive Director
401 East Pratt Street, Suite 1224
Baltimore, MD 21202

Telephone: (410) 837-6220
Fax: (410) 685-1611
Email: contact@mhhefa.org

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